

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS	)	
ADJUSTMENT FILING OF PUBLIC	)	CASE NO. 9565-B
GAS COMPANY	)	

ORDER

On October 10, 1987, in Case No. 9565, the Commission approved certain adjusted rates for Public Gas Company ("Public") and provided under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or when a refund is received. The Gas Cost Adjustment ("GCA") clause was subsequently removed from Public's tariff. Public's last GCA filing was effective April 15, 1987. On September 25, 2000, the Commission approved Public's current GCA clause.

On October 2, 2000, Public filed its GCA to be effective November 1, 2000 through January 31, 2001.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Public's notice proposes revised rates designed to pass on expected increased wholesale gas costs to its customers. Public's proposed expected gas supply cost is \$6.4067 per Mcf. In calculating its EGC on Schedule I, Public used its purchase volume rather than its sales volume. Correcting for this produces an EGC of \$6.5825

per Mcf which is \$2.7252 per Mcf more than the previous expected gas supply cost of \$3.8573.

2. Public has no current supplier refunds to return to its customers.
3. Public's notice set out no current quarter actual adjustment and no total actual adjustment.
4. These adjustments produce a gas cost adjustment of \$6.5825 per Mcf, \$2.7252 per Mcf more than the prior gas cost adjustment of \$3.8573 per Mcf.
5. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after November 1, 2000.

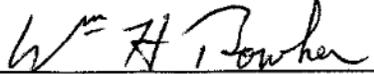
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable and are effective for gas supplied on and after November 1, 2000.
2. Within 30 days of the date of this Order, Public shall file with this Commission its revised tariffs setting out the rates authorized in this Order.

Done at Frankfort, Kentucky, this 26<sup>th</sup> day of October, 2000.

By the Commission

ATTEST:

Deputy   
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 9565-B DATED OCTOBER 26, 2000

The following rates and charges are prescribed for the customers served by Public Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Rates:

	<u>Base Rate</u>	<u>Gas Cost</u>	<u>Rate per Mcf</u>
Minimum Bill - First Mcf	\$3.2705	\$6.5825	\$9.8530
Over 1 Mcf	\$2.1505	\$6.5825	\$8.7330